



Canadian Food Inspection Agency

2002-2003
Estimates

Part III – Report on Plans and Priorities

Canada

The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament. The Estimates, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

Part I – The Government Expenditure Plan provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

Part II – The Main Estimates directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

Part III – Departmental Expenditure Plans which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are tabled in the spring and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of public funds.

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Canadian Food Inspection Agency

2002-2003 Estimates

Part III – Report on Plans and Priorities

Approved:

The Honourable Lyle Vanclief, P.C., M.P.
Minister of Agriculture and Agri-Food

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1.0 MESSAGES

1.1 Minister's Message

I am pleased to present the Canadian Food Inspection Agency's (CFIA) 2002-2003 *Report on Plans and Priorities*. This plan is focussed on pursuing excellence in the delivery of the Agency's regulatory responsibilities related to food safety, animal health and plant protection.

First and foremost, the CFIA is committed to playing a vital role in contributing to a safe food supply for Canadians. Canada's food inspection system is internationally recognized as one of the best in the world. This is the result of efforts of all levels of government as well as producers, processors and distributors. The Agency will continue to focus on its inspection activities aimed at verifying compliance with federal acts, regulations and standards; working with stakeholders to adopt risk-based control measures; and, ensuring effective emergency response.

The Agency is also committed to safeguarding Canada's animal and plant resource base – its crops, forests and livestock herd – from pests and diseases. The CFIA will continue to be vigilant to prevent pests and diseases from entering Canada as well as to control and/or eradicate those that are in Canada. It will also continue to focus on the safety, efficacy and quality of feeds, seeds and fertilizers, which are not only integral to the protection of the animal and plant resource base, but which are ultimately critically important to the safeguarding of the food supply.

In the 2001 Federal Budget, the Government committed to “*develop a new, integrated and financially sustainable architecture for agricultural policy for the 21st century.*” The Agency will contribute to the development of key elements of this architecture through an initiative that is known as the Agricultural Policy Framework. Further, the budget committed to a long-term plan for “*a more secure society*”. This included significant funding “*to make Canada's border more secure, open and efficient.*” The CFIA will have a critical role in delivering this commitment.

Canada's food inspection system is internationally recognized as one of the best in the world.

I invite you to read this *Report on Plans and Priorities* and see how the Canadian Food Inspection Agency will continue to contribute to the long-term well-being of Canadians.

The Honourable Lyle Vanclief, P.C., M.P.
Minister of Agriculture and Agri-Food

1.2 Management Representation

Report on Plans and Priorities 2002/2003

I submit, for tabling in Parliament, the 2002-2003 *Report on Plans and Priorities* (RPP) for the Canadian Food Inspection Agency.

To the best of my knowledge the information in this document:

Accurately portrays the organization's plans and priorities.

Is consistent with the reporting principles contained in *the Guide to the Preparation of the 2002-2003 Report on Plans and Priorities*.

Is comprehensive and accurate.

Is based on sound underlying Agency information and management systems.

I am satisfied as to the quality assurance processes and procedures used for the RPP production.

The Planning, Reporting and Accountability Structure (PRAS) on which this document is based has been approved by Treasury Board Ministers and is the basis for accountability for the results achieved with the resources and authorities provided.

Ronald L. Doering, President
Canadian Food Inspection Agency

Date

2.0 AGENCY OVERVIEW

2.1 Our Mission

The Canadian Food Inspection Agency (CFIA) is a science-based regulator for food, animals and plants. We are committed to enhancing the safety of federally regulated food, contributing to the health of animals and protecting the plant resource base. This includes responsibility for the enforcement and administration of 13 federal Acts and associated regulations.

2.2 What We Do

The CFIA, reporting to the Minister of Agriculture and Agri-Food, is recognized by Canadians and internationally for its scientific stewardship in program delivery, science-based assessment and risk management, and program design. The Agency was created in 1997 to provide an integrated inspection system covering all commodities and all aspects of production and distribution as well as agricultural inputs, animal health and plant health. The CFIA is the Government of Canada's regulator for the following:

Food Safety

The CFIA delivers all federal inspection and enforcement services related to food. This entails verifying that manufacturers, importers, distributors and producers meet Government of Canada regulations and standards for safety, quality, quantity, composition, handling, identity, processing, packaging and labelling. In carrying out its mandate, the CFIA works in partnership with Health Canada, the department responsible for setting food safety policy and standards. The Agency works with provincial and territorial governments to co-ordinate the delivery of inspection and quarantine systems in areas of shared jurisdiction. The CFIA also negotiates reciprocal inspection / certification arrangements with other countries on behalf of the Government of Canada and monitors and assesses compliance to support those agreements for both imported and exported foods. The CFIA participates at the international level to support the development of international food safety standards.

Legislative Authority

- *Agriculture and Agri-Food Administrative Monetary Penalties Act*
- *Canada Agricultural Products Act*
- *Canadian Food Inspection Agency Act*
- *Consumer Packaging and Labelling Act**
- *Feeds Act*
- *Fertilizers Act*
- *Fish Inspection Act*
- *Food and Drugs Act**
- *Health of Animals Act*
- *Meat Inspection Act*
- *Plant Breeders' Rights Act*
- *Plant Protection Act*
- *Seed's Act*

** as it relates to food*

Animal Health

The CFIA works to prevent animal diseases (e.g. foot-and-mouth disease) from entering Canada and to control/eradicate the spread of animal disease within Canada (e.g. bovine tuberculosis). When disease outbreaks occur, the CFIA acts quickly to deal with them. To control the security and safety of the food chain, the CFIA regulates animal feeds and veterinary biologics. (Veterinary biologics can include vaccines, bacterium, bacterin-toxoids, immunoglobulin products, diagnostics kits and veterinary biologics derived through biotechnology.) The Agency also conducts regular animal disease surveillance programs designed to head off serious threats to livestock. In addition, the CFIA provides health certification of Canada's animal exports, evaluates the safety of imports, and regulates the humane transportation of animals. The Agency also operates in the international arena with respect to supporting international control of animal diseases.

Plant Protection

The CFIA works to prevent foreign plant diseases and pests (e.g. Asian Long-Horned Beetle) from getting into Canada and to control the spread of plant disease and pests of quarantine significance (e.g. plum pox virus) within Canada. The Agency also verifies that seeds and fertilizers, both domestically produced and imported, comply with federal standards for safety, composition and process. The Agency certifies that plants, plant material and other related matter intended for export from Canada comply with the phytosanitary import regulation of foreign countries. The Agency also operates in the international arena with respect to supporting international control of plant pests and diseases.

The CFIA in Action

CFIA contributes to the Government's current and future priorities, including the security of the nation's population and resources and the development as well as implementation of the Agriculture Policy Framework.

CFIA veterinarians and inspectors conduct rigorous inspections in more than 1,800 federally registered meat, fish, fresh fruit and vegetable processing establishments located across Canada.

CFIA inspectors check shipments from abroad – examining plants, animals, food, and packaging materials that can harbour diseases and pests, such as beetles and moths.

CFIA laboratory scientists analyze food samples for contaminants, drug residues and disease causing agents.

CFIA staff inspect seed lots, potato fields, greenhouses, hatcheries, feed mills and livestock premises to verify that all federal regulations are met.

CFIA inspectors take enforcement and compliance actions, including investigations, recalls, animal quarantine and other regulatory actions to protect the health and safety of Canadians and the nation's animal and plant resource base.

3.0 PLANS AND PRIORITIES

The CFIA has three strategic outcomes – one relating to each of the three main areas of focus of our mission.

Canadian Food Inspection Agency Strategic Outcomes
Safe food and fair labelling practices
Protection of the animal resource base as the foundation for animal health and public security
Protection of the plant resource base and regulation of inputs

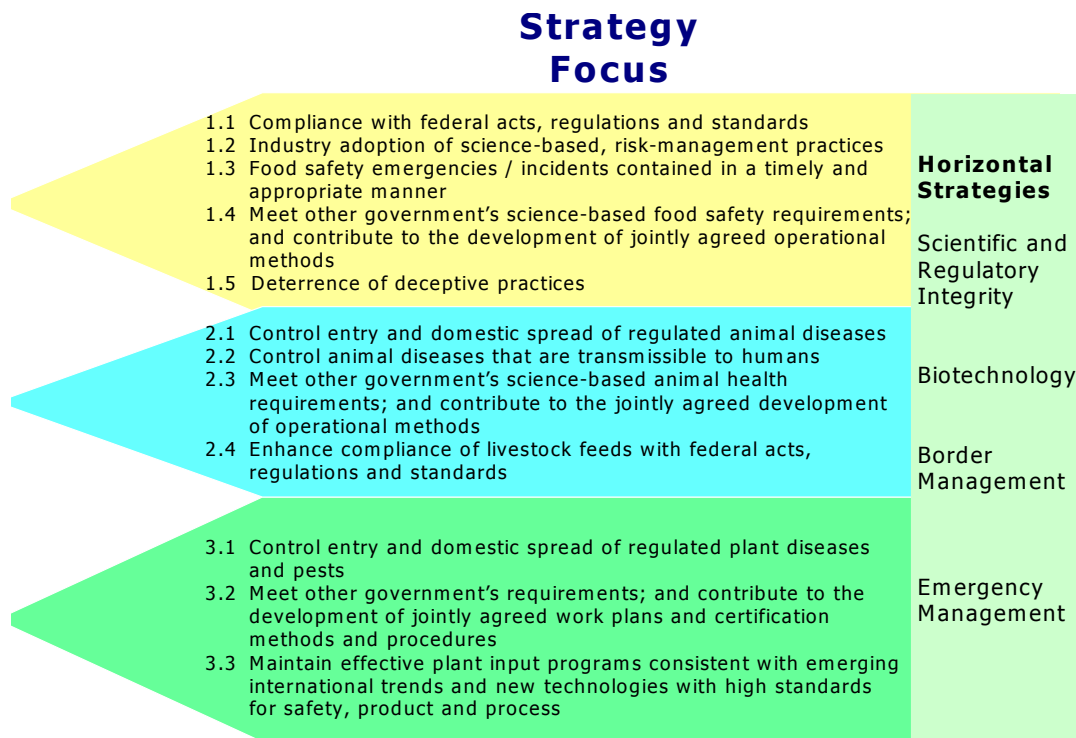
To meet these strategic outcomes, the Agency will deliver well-established, science and regulatory-based inspection and quarantine programs.



Emerging challenges and risks present in the Agency's operating environment are addressed in this plan by the inclusion of short-term (1-2 years) strategies. For example, new regulations are being introduced by Health Canada related to nutritional labelling and health claims on labels. Consequently, the Agency plans to develop new compliance programs and training materials.

Finally, the plan includes horizontal strategies that relate to all three strategic outcomes - scientific and regulatory integrity, biotechnology, border management, and emergency management. These 'horizontal strategies' are presented at the end of this section.

The following chart depicts the relationship between the various components of the plan that follows:



3.1 Food Safety

CFIA's Contribution to Canadians

The CFIA's foremost responsibility is to enhance the safety of Canada's food supply and to protect the health of Canadian consumers. The Agency also protects consumers from fraud and deceptive and/or misleading practices by regulating the composition, labelling, advertising and net quantity of food products. This applies equally to domestically produced and imported foods.

The CFIA, working with Health Canada, other levels of government, industry and academia, maintains the scientific capacity necessary to identify, assess and control new and emerging food safety issues. The CFIA is committed to reducing the risk of food-borne illness.

The Agency's role, as the federal food inspection agency, is to monitor and assess compliance of the Canadian food sector with federal legislation. The Agency administers and/or enforces 13 federal statutes and their associated regulations. The regulated sector includes all businesses involved in the production, processing and distribution of food in Canada as well as importers of food and food products to Canada. The CFIA carries out its responsibilities through a number of activities: it promotes science-based risk management practices; it works with Health Canada to support the development of science-based food safety standards; it inspects, monitors and tests to assess compliance with regulatory requirements at the production, distribution and retail levels; and it takes appropriate enforcement actions to achieve compliance, including seizures and recalls of products and, when necessary, prosecutes under the applicable Acts or regulations. The CFIA is developing a verification system in support of the On-Farm Food Safety initiative, which is an integral component of the Agriculture Policy Framework.

The work of the CFIA is important not only to the health of Canadian consumers, but also to the health and fair competition of Canada's food and agriculture industry which presently contributes approximately \$130 billion annually to the Canadian

Strategic Outcome:

Safe food and fair labelling practices.

economy. Through its extensive activities on food safety and consumer protection and its effective participation in the work of international organizations, the Agency contributes to Canada's national and international reputation for safe food.

Key Partners:

The CFIA works with others in its work related to safe food and fair labelling practices. Our key partners include:

Other federal departments and agencies: At the federal level, Health Canada and the CFIA share unique and complementary roles and responsibilities. Health Canada is responsible for food safety policies, standards and regulations while the CFIA is responsible for all food inspection and compliance activities as well as the development of regulations and policies related to compositional standards and labelling for food.

Provincial governments: The CFIA partners with provincial and territorial governments to share expertise and co-ordinate activities to facilitate compliance with both federal and provincial regulation and the delivery of emergency response services (e.g. food recall).

Non-government stakeholders: The Agency works with industry and consumer associations as well as individual processors to identify and address emerging food safety and labelling concerns.

International organizations and trading partners: The Agency negotiates and manages product-specific technical arrangements with other countries with a view to seeing that food safety standards are science-based and effectively adhered to in a manner that leads to safe food and avoids unnecessarily disrupting trade. The negotiation of these technical arrangements is done in partnership with our federal partners. In addition to this network of bilateral agreements, the CFIA, with Health Canada and others, promotes and develops science-based international food safety standards within the *CODEX Alimentarius Commission*, part of the United Nations' World Health Organization (WHO) and the Food and Agriculture Organization (FAO). The CFIA, with the support of other federal partners, also represents Canada at the WTO and NAFTA committees on the application of sanitary and phytosanitary measures.

Key federal partners include:

Health Canada

Agriculture and Agri-Food Canada

Canada Customs and Revenue Agency

Office of Critical Infrastructure Protection and Emergency Preparedness

Fisheries and Oceans Canada

Department of Foreign Affairs and International Trade

Challenges and Risks:

There are several factors that have influenced CFIA's planning related to food safety. The following is a description of key challenges and risks that have influenced the plan presented in this document.

New and emerging food safety hazards are an ever-present challenge. The CFIA must maintain, and where necessary, develop sufficient scientifically-based programs to identify, prevent and control these hazards. New technologies in food production, processing and marketing also present potential safety issues that must be assessed and managed appropriately. Existing inspection programs must continue to evolve to take into account new technologies, emerging hazards and industry initiatives, including Hazard Analysis Critical Control Point (HACCP) approaches.

New and emerging food safety hazards are an ever-present challenge.

The volume and diversity of food imports continue to increase. This places challenges on the CFIA in monitoring and assessing the compliance of these foods with federal food safety and labelling legislation. These challenges include acquiring knowledge of the food safety status of other countries and assessing the adequacy of the food safety controls of exporters and importers. At the same time, increasing pressures are being placed on the Canadian food regulators and the Canadian food industry to respond to the information and assessment needs of foreign governments. Globalization places challenges on the CFIA's regulatory activities, which are in part addressed through effective participation in international standard-setting organizations.

The volume and diversity of food imports continue to increase.

Risks associated with the recent terrorist attacks in the USA challenge the CFIA to work with its Canadian partners and other national governments to strengthen food security to prevent or respond rapidly and effectively to threats to the safety and security of the food supply.

Understanding and addressing consumer concerns and perceptions about food safety, quality and labelling will continue to present challenges for the CFIA and place increasing importance on ensuring transparency and improved dialogue with stakeholders. New methods of production will also produce challenges with respect to establishing enhanced regulatory programs and enforcing fair labelling practices.

The new regulatory requirements being introduced by Health Canada, including nutritional labelling, health claims, nutrient content claims, and food irradiation will require enforcement and compliance activities once implemented. The CFIA will also continue to be challenged to verify and enforce compliance by the Canadian food industry with new and existing federal acts and regulations and to address specific problem areas of non-compliance.

The following plan addresses these challenges and risks.

2002-03 Plans and Priorities – Food Safety

Strategic Outcome:

SAFE FOOD AND FAIR LABELLING PRACTICES

Plans and Priorities:

In order to achieve this strategic outcome, the CFIA's continued focus will be:

3.1.1 Compliance with federal acts, regulations and standards

The CFIA will continue to verify that domestic and imported food products meet the requirements established in federal acts, regulations and standards. Our front-line inspectors and veterinarians will continue to inspect and audit animal slaughter and food processing establishments as well as food products. This includes inspection work at processing establishments for: meat and poultry; fish and seafood; fresh and processed fruit and vegetables; dairy products; eggs and egg products; honey; and others. Our scientists will continue to examine and test food samples for the presence of chemical, microbiological and physical hazards.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Develop inspection procedures, training materials and industry educational material to support enforcement of new regulatory requirements being introduced by Health Canada (e.g. nutritional labelling, health claims, nutrient content claims, and food irradiation.)
- Undertake risk-pathway analysis (i.e. analysis of how hazards are transmitted) to identify, evaluate and prioritize potential food safety risks.
- Redesign programs, as necessary, to direct and manage food inspection resources, based on risk-pathway analyses.

3.1.2 Industry adoption of science-based, risk management practices

As Canada's largest science-based regulator, the CFIA will continue to have a prominent role in promoting the use of effective and up-to-date science-based, risk management practices in food production. Accordingly, the Agency will continue to develop programs and initiatives that assist industry adoption of the Hazard Analysis Critical Control Point (HACCP) approach, which is recognized internationally as an effective system to minimize food safety risks. As part of the Agriculture Policy Framework initiative, the Agency, in conjunction with AAFC and other partners, will also apply the HACCP approach to on-farm food safety.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Continue to provide scientific and technical support to industry initiatives to implement HACCP-based programs (FSEP, QMP, On-Farm Food Safety, proposed mandatory HACCP for the meat sector).
- Redesign inspection programs, as necessary, so that they are designed to effectively assess industry's HACCP and quality management programs.

Plans and Priorities (Food Safety continuation...)

3.1.3 Food safety emergencies / incidents are contained in a timely and appropriate manner.

The CFIA's emergency response teams will continue to be prepared 24 hours a day, seven days a week to respond to food emergencies. In particular, the Agency will continue to focus on risks to consumers such as unsafe or hazardous levels of microbiological pathogens, extraneous material, chemical contaminants and allergens that have not been declared on food labels. While it is industries' responsibility to implement food recalls in a timely and effective manner, the Agency will continue to advise the public of recalls as well as verify the effectiveness of recalls by checking that the recalled product has been removed from the marketplace. Additionally, the Agency will continue to investigate consumer and trade complaints and food safety enquiries and use laboratory testing to support those investigations. The Agency will also continue to respond to food security incidents, such as tampering.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Develop and implement simulation exercises to test emergency response plans.
- Develop integrated emergency response plans with other federal and provincial departments to respond rapidly and effectively to food security challenges and risks.
- Continue to work with stakeholders to develop risk management practices that will prevent emergency incidents.
- Strengthen linkages with consumer associations to obtain information regarding food-related concerns of Canadian consumers.

3.1.4 Meet other governments' science-based food safety requirements; and contribute to the development of jointly agreed operational methods and procedures

The CFIA will continue to inspect and verify that Canadian food exports meet Canadian safety and quality standards, and, in some cases, certify that additional requirements imposed by importing countries are being met. The CFIA will also continue to be an active member on international committees that set operational methods and procedures for specific food commodities. Additionally, the Agency will continue to enhance foreign governments' and industries' awareness and knowledge of Canadian import requirements and Canadian exporters' knowledge of foreign governments' requirements.

In support of these ongoing regulatory activities, and to address current challenges and risks, the CFIA will also:

- Promote the development of international standards within the Codex Alimentarius system of the United Nations' World Health Organization (WHO) and the Food and Agriculture Organization (FAO).
- Represent Canada at WTO and NAFTA committees on the application of sanitary and phytosanitary measures.

3.1.5 Deter deceptive and unfair market practices

The CFIA will continue to protect consumers from unfair market practices by enforcing standards related to the accuracy of product information (e.g. content, weight) appearing on both domestic and imported food products. The CFIA will continue to target high-risk products and establishments.

In support of these ongoing regulatory activities, and to address current challenges and risks, the CFIA will also:

- Consult with, and provide guidance to, stakeholders.
- Develop new inspection procedures and training materials.
- Design programs to achieve optimal compliance.
- Make appropriate regulatory amendments.

Plans and Priorities (Food Safety continuation...)**Planned Resources:**

	Forecast Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04	Planned Spending 2004-05
Net Planned Spending (in millions of dollars)	325.6 ¹	304.6	303.6	307.0
Full Time Equivalents	3,468	3,540	3,536	3,502

Performance Assessment

The CFIA will use compliance rates and other quantitative and qualitative indicators to measure the success in achieving regulatory objectives for food safety and fair labelling practices (e.g. compliance with regulations in the *Food and Drugs Act*).

The CFIA will also evaluate inspection against existing standards.

In addition, qualitative performance information will be collected from a number of external sources such as: Health Canada assessments of effectiveness; audits conducted by the Office of the Auditor General, and audits conducted by foreign regulatory organizations.

Links for further information on the CFIA's responsibilities:

Livestock and meat processing: <http://www.inspection.gc.ca/english/anima/meavia/meaviae.shtml>

Dairy products: <http://www.inspection.gc.ca/english/anima/dailai/dailaie.shtml>

Eggs and egg products: <http://www.inspection.gc.ca/english/anima/eggoeu/eggoeue.shtml>

Fresh fruit and vegetables: <http://www.inspection.gc.ca/english/plaveg/fresh/ffvflfe.shtml>

Processed products: <http://www.inspection.gc.ca/english/plaveg/processed/protrae.shtml>

Retail food: <http://www.inspection.gc.ca/english/bureau/retdet/retdete.shtml>

Fish and seafood: <http://www.inspection.gc.ca/english/anima/fispoi/fispoie.shtml>

¹ Forecast spending for 2001-02 includes \$14M of one-year funding for emergency management issues.

3.2 Animal Health

CFIA's Contribution to Canadians

Canada's animal resource base – including poultry, cattle, swine and sheep – contributes significantly to the well-being of Canadians. Protection of the animal resource base is critical, as it is the foundation for food security and public health.

Strategic Outcome:

Protection of the animal resource base as the foundation for animal health and public security

The CFIA carries out a number of crucial activities to protect Canada's animal resource base. For example, the Agency works to stop the entry of foreign animal diseases into Canada at international border points. In light of increasing foreign animal disease threats, particularly foot-and-mouth disease (FMD), this responsibility is more important than ever. Experts estimate that an outbreak of FMD in Canada could cost billions of dollars and affect many Canadians, from livestock producers to consumers. Within Canada, the Agency controls and/or eradicates animal diseases. The CFIA also regulates the production of inputs, such as animal feeds and veterinary biologics.

Animal production, including fish, eggs, dairy, honey, meat and meat-product industries, represents the largest single sector of the Canadian food-manufacturing industry. Millions of Canadians, directly and indirectly, depend upon the animal production and food-related industries for their livelihoods.

The CFIA's role in the protection of the animal health status of the national herd also has a direct bearing on the health of Canadians through the control of zoonotic diseases. Zoonotic diseases are those that can be passed from animals to humans such as anthrax, rabies and tuberculosis.

Key Partners:

The CFIA works with others to protect the animal resource base. Our key partners include:

Other federal departments and agencies: The CFIA works in close collaboration with other federal government partners to share expert advice; develop regulatory policies and set standards; and, foster co-operation in research.

Provincial governments: At the provincial level, the CFIA works with the ministries of agriculture, fisheries, and environment. Activities undertaken with these partners mirror those undertaken with federal departments and agencies.

Non-government stakeholders: The CFIA works in partnership with national agri-food producers and others in the review, development and implementation of animal health policies and programs. A key mechanism for this work is the Canadian Animal Health Consultative Committee (CAHCC). The Agency also works with commodity associations and a number of other non-commodity specific associations, including those representing animal welfare and environmental interests.

Research institutions: The CFIA collaborates with Canada's veterinary academic institutions to identify strategic directions in scientific research and to develop a national curriculum that reflects current and future needs in science and veterinary regulatory medicine.

International organizations and trading partners: The CFIA works with a number of international organizations and committees in an effort to influence the development of international science-based animal health regulation; to collaborate on the development of regulatory policy objectives and strategies; and to discuss common concerns. Key committees and organizations include: the Animal Health Quadrilateral Group (Canada, the United States, New Zealand and Australia); North American Animal Health Committee (Canada, United States and Mexico); the *Office internationale des épizooties* (OIE) and its special commissions; and the WTO and NAFTA committees on the application of sanitary and phytosanitary measures. The CFIA also works on a bilateral basis with other national governments on issues related to animal health standards and requirements.

Key federal partners include:

Agriculture and Agri-Food Canada

Health Canada

Environment Canada

Canada Customs and Revenue Agency

Office of Critical Infrastructure Protection and Emergency Preparedness

Fisheries and Oceans Canada

Department of Foreign Affairs and International Trade

Challenges and Risks:

There are several factors that have influenced CFIA's planning related to animal health. The following is a description of key challenges and risks that have influenced the plan presented in this document.

Global spread of animal diseases (some with the potential to affect human health) and a number of emerging pathogens pose an increasing threat of introduction to Canada. The need to enhance emergency preparedness as well as biosecurity measures has been underscored by incidents in recent years related to outbreaks of bovine spongiform encephalopathy (BSE) and FMD in Europe; toxic substances such as dioxins in rendered products in Belgium; and recent terrorist events in the United States. Canada is faced with an increased threat of inadvertent or deliberate animal disease introduction. Trade liberalization, emerging markets and changing patterns of food consumption contribute to the seriousness of this issue. Regardless of the mode of introduction, a major disease outbreak would result in considerable economic and social impacts on Canada. For example, the potential cost of an FMD outbreak in Canada is estimated at \$30 billion, taking into account costs such as slaughter, disposal, decontamination of farms, compensation for destroyed animals, loss of local and international trade and loss of tourism.

Continued expansion of international and zoonotic disease pandemics and a number of emerging pathogens pose an increasing threat of introduction to Canada.

The CFIA must continue to respond effectively to emerging science, including research developments in early disease detection, testing methods, treatment and feed production. These advances will challenge the Agency to modify its disease control programs on an ongoing basis and ensure that the Agency has the capacity to regulate these products in an effective and efficient manner.

Scientific concern regarding rendered and waste products has come to the forefront. Re-examination of the regulatory system will be required so that it can remain responsive to these emerging issues.

The following plan addresses these challenges and risks.

2002-03 Plans and Priorities – Animal Health

Strategic Outcome:

PROTECTION OF THE ANIMAL RESOURCE BASE AS THE FOUNDATION FOR ANIMAL HEALTH AND PUBLIC SECURITY

Plans and Priorities:

In order to achieve this strategic outcome, the CFIA's continued focus will be to:

3.2.1 Control the entry and domestic spread of regulated animal diseases

To control the challenges and risks related to the entry into Canada of regulated animal diseases, the CFIA, with the assistance of the Canadian Customs and Revenue Agency, will continue to inspect imported animals at international border points. The CFIA will test and quarantine animals, order the return of animals to their country of origin and destroy infected animals, as required.

To control the challenges and risks related to the spread of animal diseases already in Canada, the CFIA will continue to target regulated diseases in livestock and poultry through increased surveillance as well as control and eradication programs. The CFIA will also continue to maintain service standards for, and licence, veterinary biologics for use in the prevention, treatment and diagnosis of infectious diseases in animals. The Agency will develop a public awareness campaign to facilitate greater understanding of everyone's role in controlling the spread of animal diseases. The Agency will also continue to administer, on behalf of the Minister, a compensation program that encourages voluntary reporting and early detection and control of animal diseases.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Enhance biosecurity measures, through directed risk pathway analysis, to address increased threats of inadvertent or deliberate animal disease introduction.
- Develop a North American Vaccination Model for foreign animal disease.
- Continue to develop co-operative emergency response plans and procedures with all levels of government, livestock producers and food processors.
- Develop the Canadian Disease Emergency Management Database.
- Continue to adapt disease control programs, as necessary, to respond effectively to emerging science.
- Consult with Fisheries and Oceans Canada, Health Canada and Environment Canada on the issue of the health of fish derived from aquaculture.

Plans and Priorities (Animal Health continuation...)

3.2.2 Control animal diseases that are transmissible to humans

The CFIA will continue to carry out timely and effective surveillance, testing and control activities for zoonotic diseases of concern such as rabies and West Nile virus.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Enhance biosecurity measures to address increased threats (e.g. import inspections, border controls, risk analysis).
- Remain at the forefront of scientific research, disease detection and testing methods and invest in international disease intelligence to improve early detection of threats.
- Enhance partnerships with research and academic institutions to develop scientific expertise and provide future capacity in veterinary medicine.

3.2.3 Meet other governments' science-based animal health requirements and contribute to the development of jointly-agreed operational methods and procedures.

The CFIA will continue to help ensure that Canada's animals and animal products meet international standards and import requirements of other countries. The CFIA will issue Animal Health export certificates for live animals and animal products destined for export. The Agency will also strengthen the regulatory framework to meet new or additional certification requirements for the export of Canadian products. In addition, the Agency will continue to negotiate export health requirements with other national governments and continue to collaborate in the development of science-based international animal health standards to protect the animal resource base world-wide. The CFIA will also continue to work toward the resolution of technical barriers to trade.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Promote industry understanding of international standards and engage the public.
- Increase surveillance activities in accordance with international standards, as required, to support Canada's health status.
- Promote adherence to, and development of, science-based international standards through participation and engagement bilaterally, in OIE, WTO and NAFTA committees on the application of sanitary and phytosanitary measures.

Plans and Priorities (Animal Health continuation...)

3.2.4 Enhance compliance of livestock feeds with federal acts, regulations, and standards

The CFIA will continue to verify that livestock feeds, including rendered products, manufactured and sold in Canada or imported to Canada are safe, effective and labelled appropriately. Safe livestock feed is a pre-requisite to the production of safe meat, milk, eggs and fish. Effective feeds contribute to the production and maintenance of healthy livestock. The Agency will also maintain service standards for registration of feeds.

In support of these ongoing regulatory activities, and to address current challenges and risks, the CFIA will also:

- Pursue the capacity to implement the Medicated Feeds Registration Program.
- Improve response time for the approval of permits and certificates and redesign systems, as needed.
- Improve traceability from production to retail by enhancing targeted sampling, residue monitoring and investigations of non-compliance. This initiative supports the policy and program development related to the Agriculture Policy Framework.
- Continue to monitor global disease prevalence and scientific developments to maintain the capacity to control risks and hazards associated with rendering and waste products.

Planned Resources:

	Forecast Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04	Planned Spending 2004-05
Net Planned Spending (in millions of dollars)	123.1 ¹	87.3	85.5	86.5
Full Time Equivalents	984	977	976	967

Performance Assessment:

The CFIA will conduct surveys to monitor for the presence and spread of diseases. The CFIA also will monitor compliance rates with federal acts and regulations.

Performance against this plan will be provided on an annual basis in the Departmental Performance Report and the CFIA's Annual Report.

Links for further information on the CFIA's responsibilities:

Animal health: <http://www.inspection.gc.ca/english/anima/heasan/heasane.shtml>
 Livestock and meat processing: <http://www.inspection.gc.ca/english/anima/meavia/meaviae.shtml>
 Veterinary biologics: <http://www.inspection.gc.ca/english/anima/vetbio/vbpbve.shtml>
 Pet imports: <http://www.inspection.gc.ca/english/anima/heasan/import/petse.shtml>
 Feeds: <http://www.inspection.gc.ca/english/anima/feebet/feebete.shtml>

¹ The forecast spending for 2001-02 includes compensatory payments of approximately \$35M obtained through Supplementary Estimates. Planned spending for future years only includes \$1.5M contained in Main Estimates.

3.3 Plant Protection

CFIA's Contribution to Canadians

Strategic Outcome:

Protection of the plant resource base and regulation of inputs.

Canada's plant resource base is critical to the well-being of all Canadians. The two major economic activities that rely upon this base – the forestry industry and the agriculture and agri-food industry – are among Canada's top five industries.¹ Millions of Canadians depend upon these industries for their livelihoods.²

The CFIA plays an important role in protecting Canada's plant resource base. Through its surveillance and inspection activities at Canada's international border points, the CFIA guards against the entry and spread of pests and diseases from foreign countries. Within Canada, the Agency works to control or eradicate pests and diseases. These include some viruses, fungi, bacteria, mycoplasmas, nematodes and undesirable plants. The Agency assesses the environmental safety of plants and fertilizers with novel traits prior to authorizing them for introduction into the environment. It also conducts product assessments and inspections to verify compliance with safety and other product standards for seeds and fertilizers.

The export of Canadian plants and plant products is highly dependent on the safety and quality of Canadian plant resources. The maintenance of the Canadian plant health status for export shipments is important for the continued economic success of Canada and is beneficial to all Canadians. The CFIA contributes to the maintenance of Canada's strong position through its inspection and certification activities.

¹ In 1999, the forestry industry accounted for shipments valued at \$70 billion. In the agricultural sector, grain fertilizer and seed contributed \$9 billion, \$6 billion and \$1 billion respectively.

² In 1999, it was estimated that the forestry industry provided employment, directly and indirectly, to over 877,000 Canadians. The comparable figure for those involved in agriculture and agri-food is over twice that. In fact, the agriculture and agri-food sector is the third largest employer in Canada.

Key Partners:

The CFIA works with others to achieve the protection of the plant resource base. Its key partners include:

Other federal departments and agencies: The CFIA works with other federal departments and agencies to enhance the knowledge required for policy and standard setting; regulation and program development; regulatory market access agreements; scientific risk assessments; surveillance and intelligence gathering; inspection; and scientific risk mitigation.

Provincial governments: At the provincial level, the CFIA works particularly closely with the ministries of agriculture, environment and forestry. Activities undertaken with these partners mirror those undertaken with federal departments and agencies.

Non-government stakeholders: The CFIA consults with a range of stakeholders, including industry and others, regarding our regulatory policies, programs and activities. We seek co-operation in research and expert advice on inspection and certification systems. These partners include: commodity associations; scientific institutes; brokers; importer and exporter associations; environmental organizations; scientists and specialists in universities and research organizations; and others.

Trading partners and international organizations: The CFIA works with a number of Canada's trading partners, as well as international organizations, in an effort to maximize the effectiveness of Canada's regulations within the international regulatory system. The CFIA also promotes Canadian positions on standards and regulations in the international arena. Key partners include: United States Department of Agriculture – Animal and Plant Health Inspection Service; Food and Agriculture Organization; International Plant Protection Convention, and its regional body, the North American Plant Protection Organization; the Organization for Economic Co-operation and Development; International Seed Testing Association; International Union for the Protection of New Varieties of Plants; the Asia Pacific Economic Co-operation; and, the WTO and NAFTA committees on the application of sanitary and phytosanitary measures.

Key federal partners include:

Agriculture and Agri-Food Canada

Canadian Forestry Service

Environment Canada

Canada Customs and Revenue Agency

Canadian Grains Commission

Department of Foreign Affairs and International Trade

Challenges and Risks:

There are several factors that have influenced the CFIA's planning related to plant protection. The following is a description of key challenges and risks that have influenced the plan presented in this document.

The threat of introduction of invasive species into Canada is increasing due to growing volumes of trade from high-risk countries and an increasing rate of pest findings worldwide.

The CFIA is challenged to modernize its programs due to the combination of: the volume and diversity of imported products; the rapidity of trans-global movements of products; the findings of pests in new 'pathways', such as wood packing materials; and, the rapid advancement of science in producing plants with novel traits (PNT's). There is an increasing need for government and industry to work co-operatively to address these issues. Program redesign linking policies and programs focussing on risk pathway analysis, effective smuggling interdiction and the utilization of advanced science and technology for rapid identification / detection methodologies is a high priority in response to this challenge.

Maintenance of consumer and market confidence in Canada's pest status and certification system is critical to meeting foreign regulatory requirements. Products for export must meet increasingly stringent requirements of foreign governments demonstrated through science and certification systems and declaration of identity. The increasing export requirements demand that the Agency continually address certification systems and roles of its provincial and industry partners. Quality programs, which contribute to confidence domestically and internationally, are growing in importance.

The use of new technology and the advancement of the production of agricultural inputs challenge existing programs. Program design must evolve to take these changes into consideration and must be done in an international context.

The administration of the various permit, registration and certification systems must remain responsive. This includes: registration of fertilizers / supplements, seed establishments and varieties of seed; inspection and certification of plants and plant products for export; inspection of imported regulated plants and

The threat of introduction of invasive species into Canada is increasing due to growing volumes of trade from high-risk countries and an increasing rate of pest findings world-wide.

plant products; approval of plants with novel traits and granting of Plant Breeders' Rights.

The following plan addresses these challenges and risks.

2002-03 Plans and Priorities – Plant Protection

Strategic Outcome:

PROTECTION OF THE PLANT RESOURCE BASE AND REGULATION OF INPUTS

Plans and Priorities:

In order to achieve this strategic outcome, the CFIA's continued focus will be to:

3.3.1 Control the entry and domestic spread of regulated plant diseases and pests

To control the entry of regulated plant diseases and pests, the CFIA will continue to issue permits to Canadian importers of regulated plants and plant products and carry out inspections to confirm compliance with federal acts and regulations. The Agency will also enforce importation bans of plants and plant products, as necessary, to help control the entry and spread of pests and diseases that could damage Canada's biodiversity and domestic plant resource base.

To control the spread of plant diseases and pests, the CFIA will continue to issue certificates that allow regulated plants and plant products to move across quarantine zones within Canada. This system helps control the spread of pests and diseases which occur regionally. In addition, the CFIA will conduct domestic surveys to detect exotic pest infestations, define infestation boundaries of regulated pests, and to support eradication programs. The survey information will also be used to allow the CFIA to validate exports.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Pursue an integrated action plan with concerned federal departments to enhance the government's efforts against invasive species.
- Develop a smuggling interdiction program in co-operation with the United States.
- Utilize risk pathway analysis as a basis for program redesign.
- Foster more industry quality management systems for self-regulation.
- Modernize regulatory research on pest identification, detection, and control by exploring more effective and efficient new technology and methodology.

Plans and Priorities (Plant Protection continuation..)

3.3.2 Meet other governments' import requirements and contribute to the development of jointly-agreed work plans and certification methods and procedures.

The CFIA will continue to help assure that Canada's seeds, plant and forestry products meet other countries' import requirements, including being free of quarantine pests. This assurance facilitates international trade and helps maintain the excellent international reputation enjoyed by Canadian products. In addition, the CFIA will continue to participate on a number of international committees and remain involved in influencing international standard-setting and bilateral and multi-lateral agreements on operational methods and procedures. The CFIA will also continue to work toward the resolution of technical barriers to trade.

In support of these ongoing regulatory responsibilities, and to address current challenges and risks, the CFIA will also:

- Promote industry understanding of international standards and its involvement in seeking resolutions to these challenges.
- Establish technical agreements and long-term work plans with major trading partners.
- Promote adherence to, and development of, science-based international standards through participation and engagement bilaterally in the International Plant Protection Convention (IPPC); North American Plant Protection Organization (NAPPO); Organization of Economic Cooperation and Development (OECD); International Seed Testing Association (ISTA); and WTO and NAFTA committees on the application of sanitary and phytosanitary measures.

Plans and Priorities (Plant Protection continuation..)

3.3.3 Maintain effective plant input programs consistent with emerging international trends and new technologies with high standards for safety, product and process.

Seeds: The CFIA will continue to regulate seed and register seed varieties and establishments. It will conduct environmental assessments and regulate the safe release of plants with novel traits into the environment. The Agency will also inspect seed imports to verify compliance with Canadian standards and exports to confirm that they meet the standards of the importing country. The Agency will audit activities of the Canadian Seed Institute (CSI) that fall within the Agency's responsibilities. The CFIA will conduct marketplace inspections, targeting establishments with poor compliance and will continue to take appropriate enforcement action when necessary. The CFIA will conduct crop inspections to verify varietal purity and growing conditions of pedigreed seed. The Agency will continue to protect the intellectual property of plant breeders.

Fertilizers: The CFIA will continue to regulate fertilizers that are produced in, and imported into, Canada to verify that these products are safe for human health and the environment, efficacious, and labelled so that they are properly represented in the marketplace. When standards are not met, the Agency will take appropriate action.

In support of these ongoing regulatory activities, and to address current challenges and risks, the CFIA will also:

- Improve accuracy and effectiveness of regulatory information to industry and other users.
- Improve response time for the approval of permits and certificates and redesign systems, as needed.

Plans and Priorities (Plant Protection continuation..)**Planned Resources:**

	Forecast Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04	Planned Spending 2004-05
Net Planned Spending (in millions of dollars)	72.9	69.8	69.0	64.4
Full Time Equivalents	805	766	765	758

Performance Assessment:

The CFIA will conduct surveys to monitor for the presence and spread of pests and diseases. Further information on plant pest surveillance can be found at www.inspection.gc.ca/english/ppc/science/pps/ppshpe.shtml.

The CFIA will monitor compliance rates with federal acts and regulations.

Performance against this plan will be provided on an annual basis in the Departmental Performance Report and the CFIA's Annual Report.

Links for further information on the CFIA's responsibilities:

Plant Protection: <http://www.inspection.gc.ca/english/plaveg/protect/producte.shtml>

Fertilizers: <http://www.inspection.gc.ca/english/plaveg/fereng/ferenge.shtml>

Forestry: <http://www.inspection.gc.ca/english/plaveg/for/fore.shtml>

Horticulture: <http://www.inspection.gc.ca/english/plaveg/hort/horte.shtml>

Seeds: <http://www.inspection.gc.ca/english/plaveg/seesem/seeseme.shtml>

Plant Breeders' Rights: <http://www.inspection.gc.ca/english/plaveg/pbrpov/pbrpove.shtml>

Plant Biosafety: <http://www.inspection.gc.ca/english/plaveg/pbo/pbobbve.shtml>

Seed Potatoes: <http://www.inspection.gc.ca/english/plaveg/potpom/potpome.shtml>

Grains and field crops: <http://www.inspection.gc.ca/english/plaveg/grains/grainse.shtml>

3.4 Horizontal Strategies

3.4.1 Scientific and Regulatory Integrity

Initiatives related to science, technology and the integrity of the regulatory system are interconnected and critical to the achievement of all of three strategic outcomes – safe food, animal health and plant protection.

The Government of Canada's Science and Technology initiative provides direction to federal science-based departments and agencies for building a stronger and better-coordinated federal science and technology framework. The CFIA will promote the fuller application of the six principles adopted by the government in its Framework for Science and Technology Advice and described by the 'Council of Science and Technology Advisors' in their *Science Advice for Government Effectiveness (SAGE)*: early identification; inclusiveness; sound science and science advice; uncertainty and risk; transparency and openness; and review. The focus will be on better integrating these principles into the decision-making and risk management process of the Agency so that the CFIA continues to make the best use of cutting-edge scientific advice. The CFIA is also examining the recommendations made by this advisory body in their other reports: *Building Excellence in Science and Technology (BEST)* and *Science and Technology Excellence in the Public Service (STEPS)*.

The Agency will continue to participate actively in federal science and technology initiatives, including serving on advisory councils and interdepartmental working groups. For example, the CFIA will continue to contribute to the Federal Food Safety Research Network. The Agency will also continue to pursue collaborative research with academic institutions and other stakeholders, including the Canadian Institute for Food Regulation, the Matching Investment Initiative and Science Horizons.

The underpinning of the science-based decision-making and standard-setting activities of the Agency is found in the Agency's risk assessment capabilities for animal and plant health combined with those of Health Canada for food safety. The work of the Agency's laboratories will continue to support this capability through the provision of analytical testing of chemical, microbiological and physical entities as well as provide scientific and epidemiological advice. CFIA laboratories will also focus on: expanding strategic partnerships with other departments and institutes; expanding scientific expertise; and undertaking targeted

research and development initiatives that support specific program needs related to food safety, animal health and plant protection.

The Agency will also continue to organize workshops and communication initiatives to inform CFIA staff of emerging science-based issues and developments, and to facilitate and encourage strategic approaches for Agency planning and decision-making.

In terms of regulatory integrity, the CFIA, in conjunction with other government partners, will continue to achieve Canada's regulatory (and other policy) objectives through the development and operation of a domestic regulatory framework that is: transparent; rules-based; science-based; and that contains mutually supportive components.

Canada's food, animal and plant health and environmental regulatory system must also function within an international framework of standards and rules. The cornerstones of this international framework include the science-based standard-setting roles of the Codex Alimentarius Commission - for food safety and consumer protection; Office international des epizooties (OIE) - for animal health; International Plant Protection Convention (IPPC) - for plant protection; and the World Trade Organization (WTO) and North American Free Trade Agreement (NAFTA) committees on the application of sanitary and phytosanitary measures. These bodies, together with a number of international environmental agreements, represent the international regulatory framework within which Canada will continue to manage a defined set of food safety and animal and plant health risks.

3.4.2 Biotechnology

Responding to ongoing advances in biotechnology continues to be one of the most challenging issues faced by the Agency, as well as a number of other federal departments. Biotechnology has implications for all three of the CFIA's strategic outcomes - food safety, animal health and plant protection.

The CFIA has adopted an integrated approach to biotechnology that is focused primarily on four areas:

- maintaining effective and strict regulatory oversight of current biotechnology products;
- modernizing Canada's regulatory framework to keep pace with emerging applications of biotechnology;
- influencing the evolution of the international regulatory framework for biotechnology; and,
- providing information to the public and engaging Canadians in dialogue about biotechnology regulation.

The Agency will continue to carry out rigorous safety and environmental assessments of biotechnology-derived agricultural products (including plants with novel traits, novel supplements (fertilizers), novel feeds and veterinary biologics) prior to their potential release into the environment or use for animal livestock.

The CFIA will also continue to consider regulatory frameworks necessary for emerging applications of biotechnology, such as transgenic animals and molecular farming. The Agency will continue to develop appropriate safety assessment criteria and guidelines for submissions and collaborate in international fora. Furthermore, the CFIA will continue to work with other government partners and stakeholders to further enhance compliance with, and enforcement of, applicable regulations.

As a member of the Ad Hoc Working Group of the Codex Committee on Food Labelling (CCFL), the Agency will continue to work to advance progress on the development of an international standard for the labelling of food biotechnology products. The Agency will also continue to contribute domestically to the drafting of a Canadian voluntary labelling standard.

In preparation for the potential ratification of the *Cartagena Protocol on Biosafety*, the CFIA will work with other federal departments to clarify roles and responsibilities for implementation and continue to provide science-based regulatory advice to other government departments on issues related to implementation of

the Protocol. This multilateral environmental agreement will add to the international regulatory framework specifically focussed on the movement of living modified organisms across international borders.

For further information on biotechnology in the CFIA, please visit our website at:

<http://www.inspection.gc.ca/english/ppc/biotech/bioteche.shtml>

3.4.3 Border Management

Effective border management is critical to safeguard the movement of food and protect animal and plant health. Recent global events and the subsequent focus on North American security have underscored the need to enhance border management strategies.

The CFIA will continue to work closely with other federal departments (including Canada Customs and Revenue Agency, Department of Foreign Affairs and International Trade, Health Canada and the Solicitor General of Canada) as well as provincial, territorial and municipal governments, numerous US federal departments, other foreign governments, and industry stakeholders to enhance border management.

The 2001 Federal Budget included a security agenda that went beyond physical security for Canadians. Specifically, the Government has committed a significant investment designed to make the border, specifically with the US, more secure, open and efficient. The CFIA was one of the recipients of this funding. Funds were included to create multi-agency Integrated Border Enforcement Teams, which include the CFIA, to co-ordinate intelligence and enforcement measures as well as funds for new technology to facilitate border crossings for goods.

The CFIA's primary focus in border management will be on managing high risks and unknown risks. The Agency's border management strategy has two main focuses:

- ongoing development and implementation of a modernized, effective border management strategy; and,
- enhanced consistency of approach for managing food, animal and plant imports.

The Agency will strive to mitigate high risks and non-compliance by improving intelligence. Specifically, the Agency will focus on improved data sharing; use of existing and new technology and other tools; and fostering strong partnerships.

The CFIA will determine high-risk pathways and identify appropriate points of intervention as well as enhance risk profiles for products, source/destination combinations, importers and carriers.

New surveillance and detection methodology and the latest in scientific techniques, such as transponders, biometrics and scanning machines, will be investigated.

The Agency will also continue to implement a National Import Strategy. This process will result in an overall strategic import plan that will incorporate common best practices that can be utilized across programs.

3.4.4 Emergency Response Management

Under the Emergency Preparedness Act, the CFIA is mandated to prepare for and respond to emergencies involving food safety, animal health, plant protection or any of the Agency's programs. While emergency response management is an ongoing priority for the Agency, the terrorist attacks in the United States and concerns regarding national security have resulted in a number of new challenges. These include increased threat awareness, heightened consumer expectations, the need for heightened vigilance in detecting new hazards and the need to strengthen partnerships in emergency preparedness across government and with industry and international agencies.

The CFIA's emergency preparedness program will continue to focus on activities that help the Agency and its partners reach a state of readiness to ensure an effective and rapid response to a food safety, animal disease or plant pest emergency. Accordingly, the CFIA will continue to develop effective policies, procedures and plans for managing emergencies. The CFIA will also continue to pursue Treasury Board mechanisms to deal with the funding issues associated with emergency management. This will help the Agency address the growing number of resource-intensive emergency responses.

The federal government provided funds specifically to the Office of Infrastructure Protection and Emergency Preparedness to address emergency management. The Agency will continue to work closely with this organization on emergency management issues related to food safety, animal health and plant protection.

The Agency will also continue to work with others to develop inter-organizational emergency plans. Key partners include: Agriculture and Agri-Food Canada; Health Canada; Solicitor General of Canada; provincial and territorial governments; industry stakeholders; international emergency management committees; and government departments.

Finally, the CFIA will also continue to design and implement emergency exercises that test emergency plans. These exercises are conducted both domestically and internationally.

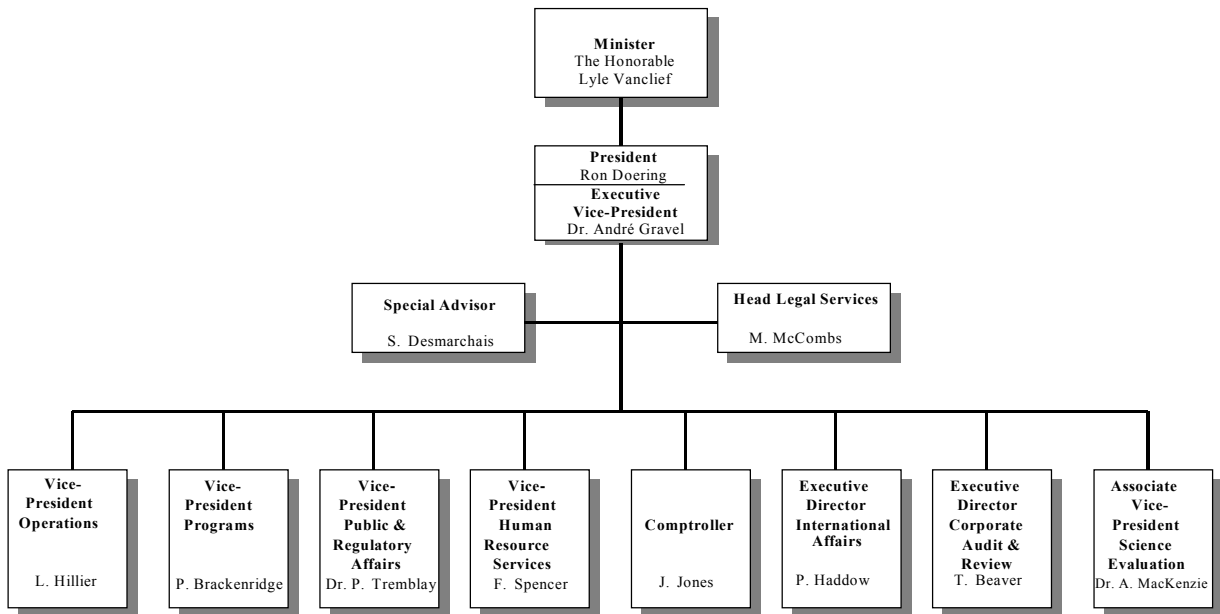
4.0 ORGANIZATION

4.1 Strategic Outcomes and Business Lines

Planned Spending 2002-03		
Business Line	Strategic Outcome	\$ millions
Food Safety	Safe food and fair labelling practices.	304.6
Animal Health	Protection of the animal resource base as the foundation for animal health and public security.	87.3
Plant Protection	Protection of the plant resource base and regulation of inputs.	69.8
Total		461.7

4.2 Accountability

Each Executive Committee member of the CFIA is accountable for all three of the Agency's business lines. The following organizational chart depicts the reporting relationships within the CFIA.



4.3 Agency Planned Spending

(\$ millions)	Forecast Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04	Planned Spending 2004-05
Food Safety	240.3	304.6	303.6	307.0
Animal Health	67.7	87.3	85.5	86.5
Plant Protection	52.1	69.8	69.0	64.4 ¹
Budgetary Main Estimates (gross)	360.1	461.7	458.1	457.9
Food Safety	0.0	0.0	0.0	0.0
Animal Health	0.0	0.0	0.0	0.0
Plant Protection	0.0	0.0	0.0	0.0
Non-Budgetary Main Estimates (gross)	0.0	0.0	0.0	0.0
Less: Respendable revenue	47.4	47.4	47.4	47.4
Total Main Estimates	312.7	414.3	410.7	410.5
Adjustments	161.5	1.4	1.3	0.5
Net Planned Spending ²	474.2	415.7	412.0	411.0
Less: Non-respendable revenue	0.5	0.5	0.5	0.5
Plus: Cost of services received without charge	32.0	37.7	37.7	37.6
Net Cost of Program	505.7	452.9	449.2	448.1
Full Time Equivalent	5,257	5,283	5,277	5,227

¹ Net Planned Spending in 2004-05 for Plant protection has been reduced due to expiration of funding for the eradication of plum pox virus.

² Net Planned Spending in 2001-02 includes all items approved in Supplementary Estimates "A" and "B", as well as funding for collective bargaining. These amounts are included under the heading "Adjustments". Net Planned Spending for 2002-03 and ongoing does not include these items. Amounts identified as "adjustments" in 2002-03 and ongoing include spending approvals received too late for inclusion in Main Estimates.

Note: Planned spending will increase by any amounts carried forward from previous fiscal years.

5.0 ANNEXES

5.1 Financial Tables

Table 1: Summary of Capital Spending by Program and Business Line

(\$ millions)	Forecast Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04	Planned Spending 2004-05
Food Safety	6.8	4.4	4.4	9.7
Animal Health	1.9	3.8	3.8	2.7
Plant Protection	1.5	1.2	1.2	2.1
Total	10.2	9.4	9.4	14.5

Table 2: Details on Major Capital Project Spending

(\$ millions)	Current Estimated Total Cost	Forecast Spending to March 31, 2001	Planned Spending 2002-03	Planned Spending 2003-04	Planned Spending 2004-05	Future Year Spending Requirement
Projects over \$5,000,000						
Consolidation of Laboratories in St. Hyacinthe, Que	22.3	0.3	1.0	7.0	9.0	5.0
Construction of Laboratory - Sidney, B.C. (PPA)	9.7	0.2	0.8	4.0	4.5	0.2
Laboratory Expansion - Saskatoon, SK	9.0	0.1	0.0	0.9	3.2	4.7

Table 3: Summary of Transfer Payments

(\$ millions)	Forecast Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04	Planned Spending 2004-05
Contributions				
Food Safety				
Contributions in support of those initiatives that contribute to the improvement, advancement and promotion of the federal inspection system.	0.1	0.1	0.1	0.1
Animal Health				
Contribution to the provinces in accordance with the Rabies Indemnification Regulations and the Anthrax Indemnification Regulations of the Governor in Council of amounts not exceeding two-fifths of the amounts paid by the provinces to owners of animals dying as a result of rabies or anthrax infection.	0.1	0.1	0.1	0.1
(S) Compensation payments in accordance with requirements established by Regulations under the <i>Health of Animals Act</i> and the <i>Plant Protection Act</i> , and authorized pursuant to the <i>Canadian Food Inspection Agency Act</i>	34.8	1.3	1.3	1.3
Plant Protection				
(S) Compensation payments in accordance with requirements established by Regulations under the <i>Health of Animals Act</i> and the <i>Plant Protection Act</i> , and authorized pursuant to the <i>Canadian Food Inspection Agency Act</i>	0.2	0.2	0.2	0.2
Total Transfer Payments	35.2	1.7	1.7	1.7

Note: The Planned Spending of \$1.7M represents the Agency's baseline reference level. Actual spending is based on the disease outbreaks occurring in any fiscal year. There may be wide variations in spending from year to year, but any amount beyond the baseline reference level is charged to the statutory vote for this program through the supplementary estimates process.

Table 4: Source of Responsible and Non-Responsible Revenue***Responsible Revenue***

(\$ millions)	Forecast Revenue 2001-02	Planned Revenue 2002-03	Planned Revenue 2003-04	Planned Revenue 2004-05
Food Safety	35.6	33.7	33.7	33.7
Animal Health	7.0	6.6	6.6	6.6
Plant Protection	7.5	7.1	7.1	7.1
Total Responsible Revenue	50.1	47.4	47.4	47.4

Non-Responsible Revenue

(\$ millions)	Forecast Revenue 2001-02	Planned Revenue 2002-03	Planned Revenue 2003-04	Planned Revenue 2004-05
Food Safety				
Proceeds from sale of Crown assets	0.4	0.4	0.4	0.4
Other non-tax revenues	0.1	0.1	0.1	0.1
Animal Health				
Proceeds from sale of Crown assets	0.0	0.0	0.0	0.0
Other non-tax revenues	0.0	0.0	0.0	0.0
Plant Protection				
Proceeds from sale of Crown assets	0.0	0.0	0.0	0.0
Other non-tax revenues	0.0	0.0	0.0	0.0
Total Non-Responsible Revenue	0.5	0.5	0.5	0.5
Total Responsible and Non-Responsible Revenue	50.6	47.9	47.9	47.9

Table 5: Net Cost of Program for Estimates Year

(\$ millions)	Canadian Food Inspection Agency
Net Planned Spending (Total Main Estimates plus Adjustments as per the Planned Spending Table)	415.7
Plus: Services Received without Charge	
Accommodation provided by Public Works and Government Services Canada (PWGSC)	15.3
Contributions covering employees' share of employees' insurance premiums and expenditures paid by TBS	21.1
Workman's compensation coverage provided by Human Resources Canada	0.3
Salary and associated expenditures of legal services provided by Justice Canada	1.0
	37.7
<i>Less: Non-Respendable Revenue</i>	0.5
2002-03 Net Program Cost	452.9

5.2 Government-wide and Horizontal / Collective Initiatives

In support of the plans and priorities presented in this document, the Agency continues to undertake a number of government-wide and horizontal / collective initiatives. Please refer to the CFIA web-site (<http://www.inspection.gc.ca>) for more detail on these initiatives.

Canadian Partnership for Consumer Food Safety Education

Canadian Food Safety Adaptation Program

Canadian On-Farm Food Safety Program

Canadian Food Inspection System

Canadian Institute for Food Inspection and Regulation

International Regulatory Framework

Human Resources Strategy

Information and Financial Management